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STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION

Missouri Public  
Service Commission

At a session of the Public Service  
Commission held at its office in  
Jefferson City on the 24th day  
of April, 2003.

In the Matter of The Empire District Electric Company )  
of Joplin, Missouri, for Authority to File Tariffs Increasing ) **Case No. ER-2002-424**  
Rates for Electric Service Provided to Customers in the ) **Tariff No. JE-2003-1746**  
Missouri Service Area of the Company. )

**ORDER APPROVING TARIFF**

**Syllabus**

This order approves the tariff sheets filed by The Empire District Electric Company on March 31, 2003, and amended April 11, 2003, and April 17, 2003. The proposed tariff is designed to implement an Experimental Low-Income Program.

**Background**

On October 28, 2002, Empire, the Staff of the Commission, the Office of the Public Counsel, and Praxair, Inc., filed their Unanimous Stipulation and Agreement in settlement of all issues in this case. The Commission issued its Report and Order approving the Agreement on November 14, 2002. The Stipulation and Agreement was incorporated as Attachment A to the Report and Order. Paragraph 9 of that Stipulation and Agreement states, in pertinent part:

The Parties agree that the Company will implement an Experimental Low-Income Program ("ELIP"), generally consistent with the program proposed by the Company. Program details, including evaluation procedure and tariff sheet(s), shall be developed by a collaborative committee of the interested Parties and will be presented to the Commission for approval no later than April 1, 2003.

*Praxair* Exhibit No. 107  
Case No(s). ER-2002-0315  
Date 9-8-06 Rptr TLR

## **Discussion**

On March 31, 2003, Empire filed four tariff sheets, three of which were substituted in an April 11, 2003 filing in order to correct typographical errors. On April 17, 2003, Empire filed four substitute tariff sheets to correct additional typographical errors. The tariff sheets are designed to implement an Experimental Low-Income Program (ELIP or Program).

On April 21, 2003, Staff filed its recommendation regarding Empire's ELIP tariff sheets. Staff indicates that the tariff sheets, as amended, represent the collaborative effort of Empire, Staff, and Public Counsel. Staff notes that Praxair elected not to participate in this process. Staff states that the Program's guidelines, established in the Unanimous Stipulation and Agreement, are as follows:

- Ratepayer funding will be \$150,000 annually, equivalent to \$0.10 per month per residential customer on Schedule RG and \$0.25 per month per nonresidential customer on Schedules CB, SH, GP, LP, and TEB.
- Empire will match the ratepayer funding on a dollar-for-dollar basis.
- Ratepayer funding will not be a surcharge applied to customers' bills. Ratepayer funding is included in the agreed-to rate increase and incorporated in the agreed-to rate design.
- Evaluation of the program will begin no later than 30 months from the program effective date.
- The effectiveness of the program shall be evaluated by an independent third-party evaluator hired by Empire and paid through program funds.

In its recommendation, Staff further outlines the highlights of the Program as follows:

- ELIP will provide up to 1,000 participants with a fixed monthly bill credit for up to 24 months.

- Participants must be classified as low-income by the Missouri Department of Social Service and have an annual household income no greater than 100 percent of the federal poverty level.
- There are two levels of ELIP credit:  
     Group A – 0 to 50 percent of the federal poverty level - \$40 per month.  
     Group B – 51 to 100 percent of the federal poverty level - \$20 per month.
- Participants are required to enroll in Empire's Average Payment Plan (Rider AP).
- Participants agree to apply for a LIHEAP grant and any other available energy assistance programs. Empire will assist with the applications.
- Participants must provide information related to their energy use and program participation.
- Empire will gather and maintain participant data on usage, payment history, and other relevant factors required to evaluate the effectiveness of the program.

Staff states that it has reviewed the Company's proposed tariff sheets, as amended, and has determined that they were timely filed and in compliance with the Stipulation and Agreement and with the Commission's Report and Order in this case. Staff recommends that the tariff sheets be approved to become effective on April 30, 2003, as requested by Empire.

The Commission has reviewed the proposed tariff sheets and Staff's memorandum and recommendation. The Commission concludes that the proposed sheets comply with the Stipulation and Agreement and the Commission's Report and Order of November 14, 2002, and should be approved. Therefore, the Commission will approve Empire's tariffs for service rendered on and after April 30, 2003.

**IT IS THEREFORE ORDERED:**

1. That the proposed tariff sheets (File No. JE-2003-1746), filed on March 31, 2003, and substituted on April 11, 2003, and April 17, 2003, are hereby approved for service rendered on and after April 30, 2003. The specific sheets approved are:

**P.S.C. Mo. No. 5**

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**Section A, 17th Revised Sheet No. 1, Cancelling 16th Revised Sheet No. 1**

**Section 4, 3rd Revised Sheet No. 9, Cancelling 2nd Revised Sheet No. 9**

**Section 4, 2nd Revised Sheet No. 10, Cancelling 1st Revised Sheet No. 10**

**Section 4, 2nd Revised Sheet No. 11, Cancelling 1st Revised Sheet No. 11**

2. That this order shall become effective on April 30, 2003.

**BY THE COMMISSION**

**Dale Hardy Roberts**  
**Secretary/Chief Regulatory Law Judge**

( S E A L )

Murray, Lumpe, Gaw, and  
Forbis, CC., concur.  
Simmons, Ch., absent.

Ruth, Senior Regulatory Law Judge